

Progress Towards a Uniform Statewide Sales and Use Tax Rate
Rep. Wayne A. Harper

May 16, 2007

Name of Sales and Use Tax	Title 59, Chapter 12 Part	Rate * (%)	Entities That Impose This Tax as of April 1, 2007	Changes Made to This Tax During the 2007 General Session ¹	Changes Needed to Achieve a Uniform Statewide Rate ²
State	1	4.75 2.75 (food and food ingredients)	State	Tax rate on non-food items reduced to 4.65% Tax rate on food reduced to 1.75%	None. However, efforts will be made to further reduce the state sales and use tax rate.
Local	2	1	All	None	None
County Option	11	.25	All counties except Emery, Kane, and Millard	S.B. 223 provided that if a county does not impose this tax, that a tax of .25% is imposed by the state and revenue deposited into the General Fund	None
Town Option	13	Up to 1%	Snowville	None	Repeal. Replace lost revenue with modifications to the distribution formula for the Local Sales and Use Tax

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Public Transit (Basic and Additional)	5	.25 (Each)	<p><u>Entities within the UTA:</u></p> <p>Davis County and all municipalities within Davis County, Salt Lake County and all municipalities within Salt Lake County, Weber County and all municipalities within Weber County, Brigham City, Perry, Willard, Erda, Grantsville, Lakepoint, Lincoln, Tooele City, Stansbury Park, Alpine, American Fork, Lehi, Lindon, Mapleton, Orem, Payson, Pleasant Grove, Provo, Provo Canyon, Salem, Highland, Spanish Fork, Springville, Cedar Hills</p> <p><u>Entities within the Logan Rapid Transit District:</u></p> <p>Hyde Park, Hyrum, Logan, Millville, North Logan, Providence, Richmond, River Heights, Smithfield, Nibley, Cache Valley Transit District</p> <p><u>Entities within Park City Transit District:</u></p> <p>Park City Synderville Basin Transit District</p>	<p>S.B. 223 increased the rate under Section 59-12-501 to .3% (except in counties that impose a tax under Part 15) and exempted the rate increase from the voter approval requirement.</p> <p>H.B. 226 changed the disposition of revenue from the tax imposed under Section 59-12-502 in counties of the first class.</p>	<p>Modify to expand allowable uses and harmonize with other transportation-related local option sales and use taxes. *</p>
Municipal Highways or Public Transit System Tax	10	.25	Brian Head, Ephriam, Green River, Gunnison, Heber, Hurricane, Ivins, LaVerkin, Midway, Moab, Mt. Pleasant, Nephi, Price, Richfield, Roosevelt, Salina, Santa Clara, St. George, Vernal, Washington City, Wellington	S.B. 223 increased the rate to .3% and exempted the rate increase from the voter approval requirement.	<p>Modify to expand allowable uses and harmonize with other transportation-related local option sales and use taxes. *</p>

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County Option Transportation	17	.25	Salt Lake County		Expand to a statewide sales and use tax for transportation. Disposition of revenue would vary by county to preserve existing funding agreements.
County Option for Highways, Fixed Guideways, or Mass Transit	15	.25	Utah County	S.B. 223 allows a county, city, or town to increase the rate to .3% and exempts the rate increase from the voter approval requirement	Modify to expand allowable uses and harmonize with other transportation-related local option sales and use taxes. *
Resort Communities (Basic and Additional)	4	Up to 1.5 for both rates	Alta, Boulder, Brian Head, Garden City, Green River, Midway, Moab, Kanab, Orderville, Monticello, Panguitch, Park City, Springdale, Tropic	S.B. 223 allows a municipality to increase its Basic Resort Community Sales and Use Tax rate from up to 1% to up to 1.1%.	No change. Provide that these two sales and use taxes are not considered to be subject to destination based sourcing.
County ZAP	7	.1	Cache County Salt Lake County Summit County Uintah County Weber County		Repeal. Replace with grants from the Department of Community and Culture to be funded from the General Fund.

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Municipal ZAP	14	.1	Cedar City, Brian Head, Roosevelt, Orem, Price, Redmond, Salina, Aurora, Tooele		Repeal. Replace with grants from the Department of Community and Culture to be funded from the General Fund.
Rural County and Rural City Health Care Facility	8	Up to 1	Beaver City Daggett County Uintah County Garfield County Kane County	S.B. 223 established a program to provide grants to hospitals to replace lost revenue resulting from the removal of food and food ingredients from the base.	Repeal. Modify existing grant program to replace all lost revenue.

* If a county, city, or town does not impose this tax, a sales and use tax rate would be imposed with revenue deposited into the General Fund,

Notes:

1. 2007 General Session S.B. 223 removed food and food ingredients from the base for all local option sales and use taxes listed in this table except for the local option sales and use tax and the county option sales and use tax.

2. Except in municipalities that impose one or more of the resort community sales and use taxes.